



ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING
TOWN HALL LYON'S ROOM
7:30 PM 6/8/16

ATTENDEES:

Deyst	White	Caccavaro	Kellar*	McKenna
DeCoursey	Wallach*	Harmer*	Gibian*	
Tosti*	Foskett*	Bayer*	Duvadie*	
Russell*	Beck*	Jones*	Deshler*	
Franclemont*	Howard*	Fanning*	Carman*	Turkall*

*Indicates present

VISITORS: TownManager Adam Chapdelaine

END OF YEAR TRANSFERS: Chapdelaine provided a handout (Ref 1) describing each requested transfer, the reason for it and the proposed source of funds. The handout was an update of similar material provided to the members several weeks ago. He went through each of the 12 requests. Members questioned the \$50k requested to restructure the Chart of Accounts. Chapdelaine explained that this could not be done until after the Munis upgrade and this was not realized until after the warrant for the April special town meeting had closed. Also he promised that expenses by department would remain traceable across the change in the Chart of Accounts. There was some discussion of the cost of retirement buyouts. Chapdelaine believes these will be somewhat smaller as time goes on since fewer employees will qualify for deferred pay raises and most will be covered by vacation carryover limitations. Members asked why the \$56.8k CPA billing software revision expense would not be taken from the CPA funds. Chapdelaine explained that again no one thought to include this in the special town meeting warrant. He pointed out that in FY17 CPA funds will be used to offset some of the salaries of Town staff when they support CPA activities.

VOTED to approve all transfers as recommended. This includes \$360,657 from the Reserve Fund. Unanimous.

The Committee had a brief general discussion with the Manager on various topics.

ELECTION OF OFFICERS FOR FY17. Turkall conducted the election. All existing officers were reelected unanimously. Chair Al Tosti; Vice Chairs Dick Fanning, Charlie Foskett, Alan Jones; Secretary Pete Howard. Fanning agreed to serve one more year as vice chair but will step down after that.

APPROVAL OF RESERVE FUND TRANSFERS DURING THE SUMMER:

VOTED to allow the Chair to approve transfers under \$10k, and with the approval of the Vice Chairs, transfers under \$25k when the committee is not in session. Unanimous.

COMMITTEE: Tosti appointed Foskett acting chair during August, September and October while Tosti is traveling on vacation.

RESERVE FUND Balance \$422,607 + \$1,000 (to correct an error) - \$360,657 = \$62,950

Peter Howard 6/9/16 Revised 6/10/16

Ref 1 Memo Pooler to FinCom, End of Year Transfers, 6/8/16



**Town of Arlington
Office of the Town Manager**

**Sanford M. Pooler
Deputy Town Manager**

**730 Massachusetts Avenue
Arlington MA 02476-4908
Phone (781) 316-3010
Fax (781) 316-3019
E-mail: spooler@town.arlington.ma.us
Website: www.arlingtonma.gov**

TO: Finance Committee

FROM: Sandy Pooler, Deputy Town Manager *SMP*

CC: Adam W. Chapdelaine, Town Manager
Richard Viscay, Comptroller

DATE: June 8, 2016

RE: End of Year Transfers – Final Version

Attached for your information and review is a list of anticipated end of year transfer requests. Please note that the anticipated transfers included in the attachment are subject to change prior to the conclusion of Fiscal Year 2016. There may also be a need for an additional transfer(s) not included in the attachment. The Town Manager's Office will continue to monitor spending and provide additional information prior to requesting formal action from the Finance Committee

The following is a summary of anticipated transfers:

Board of Selectmen

This office has incurred a deficit in its salary accounts due to the buyout costs of a long-term employee who retired this year. The recommendation is to transfer \$479 from the Reserve Fund.

Comptroller

Concurrent with the project to upgrade the Town's core financial software (Munis) the Comptroller has used the services of an accounting firm to help him restructure security features and other aspects of the Munis system. He requests a transfer of \$10,000 from the Department's salary accounts to its expense accounts to cover these costs.

The Comptroller also requests a transfer of \$50,000 from the Reserve Fund to employ the same accounting firm to help the Town restructure our Chart of Accounts, the key organizing structure of funds, sub-funds, line items, and other codes in the General Ledger. The Comptroller has noticed that the structure of the current Chart of Accounts has filled up in many cases, meaning that as new accounts are created, they can no longer fit into a logical matrix with other accounts. We simply have run out of numbers in the current configuration. In addition, a revised chart of accounts will allow for a clearer structure and easier reporting.

DPW – Snow & Ice

The 2015-2016 winter resulted in a \$143,047 deficit in the snow & ice account. The recommendation is to transfer that amount from the Reserve Fund. Unlike some past years, it will not be necessary to raise any snow and ice deficit in next years' tax rate.

Elections

The Elections Office is in need of a transfer of \$23,360 to cover the costs of election workers, supplies, and professional services to conduct the special election on June 14, 2016. This unexpected expense can come from the Reserve Fund.

Facilities

The Facilities Director is requesting a total of \$15,000 to pay for work at the Town Hall and the Fox Library: steam trap maintenance, Town Hall entrance, carpet replacement, and plumbers' supplies. I recommend that this amount be transferred from the Department's salary accounts.

Human Resources

This office has incurred a deficit in its salary accounts due to the buyout costs of a long-term employee who retired this year. The recommendation is to transfer \$18,410 from the Reserve Fund.

Information Technology

The Information Technology Expense Budget is in need of a \$56,753 transfer to cover costs associated with programming the Town's billing software for CPA billing, and to cover costs associated with consultant's fees needed to support operations while the Department's Software Developer was on sick leave.

Inspections

This office has incurred a deficit in its salary accounts due to the buyout costs of a long-term employee who retired this year. In addition, the department incurred additional costs of \$5,400 for temporary staffing during the Director's medical absence this fall and \$4,500 for a third party architectural review of related to the Arizona Ranch/Brookside Condominium fire. The recommendation is to transfer \$61,405 from the Reserve Fund,

Police

The Police Department has incurred additional expenses due to its operations away from the Community Safety building this year while that building undergoes renovation. The Chief requests a transfer of \$40,000 from Police Salary Funds to Police Expense Funds to cover the cost of moving expenses, office furnishings and supplies, cleaning expenses, and other miscellaneous expenses incurred while relocating about 80 employees multiple times during the various phases of construction.

Town Clerk

The Town Clerk will incur expenses for printing the ballots for the special election. I recommend a transfer of \$5,972 from the Reserve Fund.

Zoning Board of Appeals

The ZBA budget has a requires an transfer of \$1,230 from the Reserve Fund in order to accurately fund the salary of an employee who was hired this year whose time is divided between the ZBA and the Board of Selectmen.

Impact to Reserve Fund

The recommendations outlined above require six transfers from the Reserve Fund. If approved, the balance in the Reserve Fund would be \$62,950.

General & Enterprise Funds

Department	Amount Required		Transfer Source			
	Expense	Salaries	Facilities Salaries	Police Salaries	Comptroller Salaries	Reserve Fund
Human Resources <i>(Retirement buyout)</i>		\$18,410				\$18,410
Inspections <i>(Retirement buyout)</i>		\$61,405				\$61,405
Facilities <i>(Town Hall Repairs)</i>	\$15,000		\$15,000			
Elections <i>(Override vote)</i>	\$4,521	\$18,840				\$23,361
Town Clerk <i>(Override vote)</i>	\$5,972					\$5,972
DPW <i>(Snow and Ice)</i>	\$143,047					\$143,047
Police <i>(Building Operating Costs)</i>	\$40,000			\$40,000		
Comptroller <i>(Auditing consulting services)</i>	\$10,000				\$10,000	
Comptroller <i>(Chart of Accounts)</i>	\$50,000					\$50,000
Selectmen <i>(Retirement buyout)</i>		\$479				\$479
Zoning Board of Appeals <i>(Salary adjustment)</i>		\$1,230				\$1,230
Information Technology <i>(CPA Programming Costs and Other)</i>	\$56,753					\$56,753
Total	\$325,293	\$100,364	\$15,000	\$40,000	\$10,000	\$360,657